



Overview of Legislation

August 6, 2012

City of Minneapolis Stadium Implementation Committee





General Overview

Legislation provides for construction and operation of a professional football stadium to be owned and operated by the Minnesota Sports Facilities Authority (MSFA);

- **Stadium Site:** “all or portions of the current [Metrodome] site, bounded generally by Park and 11th avenues and 3rd and 6th streets;”
 - Final boundaries to be determined by the MSFA and “agreed to by the NFL team”



Minnesota Sports Facilities Authority

- ✓ 5 members: Governor makes 3 appointments, including Chair; Mayor of Minneapolis makes 2 appointments;
- ✓ **Quorum:** 3 members - action may be taken on a vote of a majority of those present;
- ✓ **4/5ths Vote:** “[d]uring the design and construction stages of the stadium, a 4/5th vote is required for decisions related to:

zoning, land use, exterior design of the stadium, related parking, the plaza area, and the selection of the authority’s lead representative.



General Overview contd.

- **Lease term:** 30 year lease and may provide up to four extensions for five years each;
- **Public share on sale of NFL Team:** If team is sold, public is entitled to a share of the profits from sale, ranging from 25% if sold within 10 years to 0% if the team is sold after 20 years from effective date of legislation



Financing

- ✓ **Construction and land acquisition costs:**
 - **Team share:** \$477 million; team is obligated to finance the first \$50M of funding with MSFA funding the second \$50M;
 - **Public share:** \$498 million (\$348M from state electronic pulltab revenues; \$150M from revenues generated by already existing city sales, liquor, lodging & restaurant taxes);



Financing contd.

- ✓ Stadium is to be fixed roof; If team wants retractable roof, the team is obligated to provide the funding;
- ✓ If either party wants to add amenities, the party making the request is responsible to fund additional costs;
- ✓ MSFA is responsible for construction cost overruns unless a different agreement is reached with team – i.e., team is responsible for construction;



Operating Costs

- ✓ MSFA is responsible for operating costs (unless a design, build, operate agreement is entered into);
- ✓ **Team share:** Team to make annual payments of \$8.5 million for operating; \$1.5 million for capital reserves (3% annual escalator) for 30 years; team also responsible for all game day expenses at stadium and plaza;
- ✓ **Public share:** City local sales tax revenues fund annual payments of: \$6 million for operating; \$1.5 million for capital reserves (with an annual adjustment factor as set out in the statute) for 30 years.



Stadium Design

The stadium and stadium infrastructure shall be designed and constructed incorporating the following “general program and design elements:”

- **Stadium:**

- 1.5 million square feet with 65,000 seats, expandable to 72,000 seats; 150 suites and 7,500 club seats;
- Space for NFL team-related exhibitions and sales, including an NFL team museum and Hall of Fame, retail merchandise and gift shop retail venues, and themed concessions and restaurants;



Stadium Design

- **Parking:** 2,000 parking spaces within one block of the stadium, connected by skyway or tunnel to the stadium; 500 parking spaces within two blocks of the stadium, with a dedicated walkway on game days;
- **Civic spaces:** “Elements sufficient to provide community and civic uses as determined by the authority.”



Property Tax Exemption

Property Tax Exemption: The stadium and stadium infrastructure are exempt from property taxes;

- **EXCEPT:** for “any real property that is leased for residential, business, or commercial development or to a restaurant that is open for general business more than 200 days a year, or other purposes different from those contemplated” in the stadium legislation.



Implementation Committee

Legislation creates “alternative process for municipal land use and development review;”

- ✓ Implementation Committee process supersedes all land use and development rules and restrictions;

- ✓ Legislation further provides:

It is hereby found and declared that the construction of a stadium within the ‘development area’ is consistent with the adopted area plan, is the preferred stadium location, and is a permitted land use.



Implementation Committee

The **Implementation Committee** is charged by the statute with responsibility “to make recommendations on the design plans submitted for the stadium, and stadium infrastructure.”

- ✓ **“Stadium infrastructure”** as defined in the legislation:
“means plazas, parking structures, rights of way, connectors, skyways and tunnels, and other such property, facilities and improvements, owned by the [MSFA] or determined by the [MSFA] to facilitate the use and development of the stadium.”
- ✓ **“Stadium Plaza”** as defined in the legislation “means the open air portion of the stadium adjacent to the stadium.”



Implementation Committee

- **Process:** The Implementation Committee forwards its recommendations to the City of Minneapolis Planning Commission; the Commission submits an advisory recommendation to the City Council; the City Council must act on the recommendation in a single resolution;



Timeline for Reviews

- **Timeline: Minimum of 105 Days for Implementation Committee Review and Approval by City Council**
- **Minimum of 60 days for Implementation Committee Review:**
The MSFA is required to allow the Implementation Committee a minimum of 60 days to review the development plans;



Timeline contd.

- ✓ **45 Days for City Council Vote:** The Planning Commission must forward its advisory recommendation to the City Council for final action in a single resolution; the City Council vote must take place no longer than 45 days after the Implementation Committee submits its recommendations to the Planning Commission; Failure by the City Council to act within the 45 day timeline shall be deemed to be approval of the design plans;
- ✓ The City Council must not impose “any unreasonable conditions on the recommendations of the Implementation Committee, nor take any action or impose any conditions that will result in delay from the time frames established in the planning and construction timetable [established by the MSFA] or in additional overall costs.”